

## Current Statistics ♦ September 2004

- **British Columbia's unemployment rate increased 0.4 percentage points to 7.7% (seasonally adjusted) in August as employment in the province fell 0.7%.** At the same time, the labour force contracted (-0.3%), which helped ease the upward pressure on the jobless rate, but suggests that some people either left the province or gave up looking for work. Despite the recent increase, BC's unemployment rate remains significantly lower than it was in 2002 and 2003.

Canada's unemployment rate was unchanged at 7.2% in August, as both the labour force and the number of people with jobs remained at the same level. Ontario (6.8%) and Alberta (4.7%) posted the same unemployment rate as in July, while Quebec's jobless rate fell 0.2 percentage points to 8.0%. *Data Source: Statistics Canada*

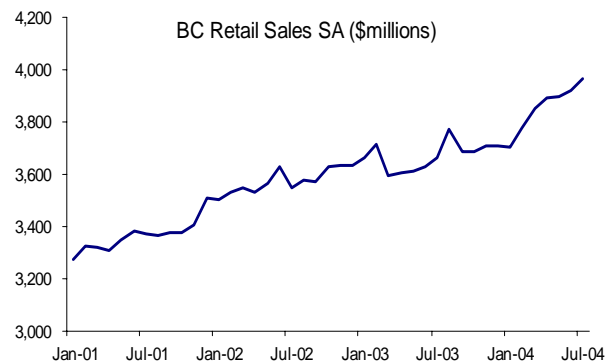
- **Wholesale sales in BC jumped 3.1% (seasonally adjusted) in July, following strong growth (+0.9%) in the previous month.** As was the case in the retail industry, BC was the only province to record a significant increase in the value of sales. Total Canadian sales were virtually unchanged (+0.1%) from the June level. Quebec (+1.6%) and Nova Scotia (+1.0%) were the only provinces other than BC where wholesale activity increased in July.

Sales in BC were up more or less across the board. Wholesalers of lumber and millwork, metal and "other" products posted particularly strong increases. *Data Source: Statistics Canada*

- **Sales by retailers in the province were robust in July, increasing 1.2% (seasonally adjusted) over the June level.** BC was the only province to see strong growth in retail sales at the beginning of the summer. Nationally, sales rose

0.5%, with modest gains made in Ontario (+0.3%) and Quebec (+0.5%). Cash registers rang in 0.8% more sales in both Alberta and New Brunswick, but retail business was slow in other parts of the country.

In British Columbia, retailers of computer & software products, automobiles, building materials and hardware had a busy month in July, boosting the overall performance of the province's retail sector. *Data Source: Statistics Canada*



- **Farm cash receipts in the province were 7.0% lower in the second quarter of this year than in the same period of 2003, as livestock producers in the province continued to be hammered by the fallout from the avian flu and mad cow situations.** Livestock receipts have been declining since early 2002. The ban on live cattle imports from Canada (which began in May 2003 and has not yet been completely lifted), together with the forced slaughter of poultry flocks in the Fraser Valley following an avian flu outbreak, has exacerbated the situation. Total livestock receipts plummeted (-19.3%) in the second quarter as sales of cattle (-23.9%), hens and chickens (-49.0%), turkeys (-26.0%) and eggs (-40.1%) were all severely curtailed. Crop producers (-4.9%) did not have a particularly good second quarter, either. With the exception of apples (+23.5%), ginseng (+4.5%) and

strawberries (+2.0%), receipts from sales of most other products were lower than in 2003.

Although BC farmers were struggling, cash receipts rose 14.0% nationally, largely due to strong gains in the Prairies, where crop farmers are beginning to recover after a long period of drought. Receipts increased 20.5% in both Alberta and Manitoba, while farmers in Saskatchewan saw their earnings rebound 42.6%. Overall, crop receipts were up 22.4%, but Canadian livestock producers (-1.8%) continued to feel the pinch of sharply lower cattle sales (-18.8%). Cattle and dairy products together account for more than half of total livestock receipts in Canada.

*Data Source: Statistics Canada*

- **Wages, salaries and benefits of workers in the province increased 1.4% (*seasonally adjusted*) in the second quarter, after showing an even bigger gain (+1.8%) at the beginning of the year.** The back-to-back increases in labour income were the strongest in two years. Nationally, labour income advanced 1.3% in the second quarter, building on earlier growth of 1.1%. Every region except Newfoundland (+0.4%) showed robust growth in workers' pay packets. The decline in Newfoundland was due to a downturn early in the spring. PEI (+3.2%) and Nova Scotia (+2.0%), where earnings rebounded from a slow first quarter, posted the strongest gains.

*Data Source: Statistics Canada*

- **Labour income in BC rose 0.6% (*seasonally adjusted*) in June, double the rate of increase in the previous month.** Wages, salaries and benefits in the province have increased at or above the national average in all but two months since the beginning of the year. Canadian wages advanced 0.8%.

*Data Source: Statistics Canada*

- **Exports of BC products edged up 0.4% (*seasonally adjusted*) in July.** Shipments to overseas destinations rose 1.3%, but the value of US-bound exports was unchanged from June. The forest sector saw exports drop 5.4% in

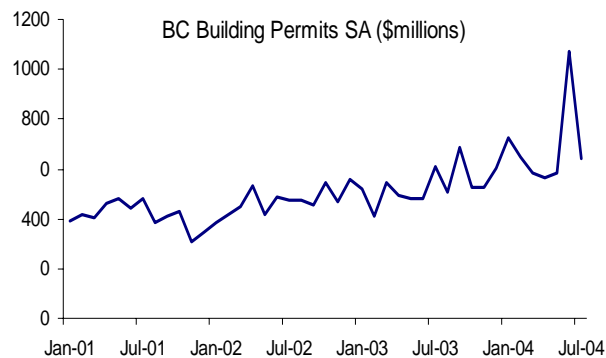
July largely due to sagging shipments to the US (-6.8%). However, exporters of other products fared better. Energy exports advanced 10.0%, while shipments of industrial products and consumer goods bounced back (+7.0%) from a poor showing in June.

*Data Source: Statistics Canada & BC Stats*

- **The value of building permits issued in British Columbia fell 40.3% to \$639 million (*seasonally adjusted*) in July after soaring to a record high of \$1.1 billion in the previous month.** Both the residential (-41.5%) and non-residential (-36.3%) sectors slid back to more normal levels. Canadian permits were down 11.4%, partly due to declines in three of the four largest provinces.

Regionally, the census metropolitan area of Vancouver (-50.6%) saw a sharp drop in the value of building permits. Permits were also down in Victoria (-23.6%) and Abbotsford (-69.7%).

*Data Source: Statistics Canada*



- **Housing starts in the province jumped in August, increasing 32.1% (*seasonally adjusted*) after three months of decline.** Starts were up 10.5% nationally, with solid gains seen in most parts of the country. Among the larger provinces, BC and Ontario (+13.9%) posted the strongest growth.

*Data Source: CMHC*